



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 5/12/2009

GAIN Report Number: IT9012

Italy

Livestock and Products

Italian Pig Breeding Sector Ailing 2009

Approved by:

Jim Dever
U.S. Embassy

Prepared by:

Dana Biasetti

Report Highlights: Long before the influenza A/H1N1 outbreak, the Italian Ministry of Agriculture was developing plans to assist Italy's ailing pig breeding sector, which is being squeezed by continued high input prices and sharply reduced output prices. As a result, the Ministry has proposed significant government assistance for the pig breeders, which it calls "the pillars of Italian food industry."

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Rome [IT1]
[IT]

Helping Italian Pig Breeders

Long before the influenza A/H1N1 outbreak, the Italian Ministry of Agriculture was developing plans to assist Italy's ailing pig breeding sector, which is being squeezed by continued high input prices and sharply reduced output prices. As a result, the Ministry has proposed significant government assistance for the pig breeders, which it calls "the pillars of Italian food industry." Plans at this point are vague, however, there is speculation that the Italian Ministry may be planning a mix of subsidized credit and government purchase. The pig breeding industry fully supports a "strategic revamp" of the sector, including support from banks and agricultural organizations. Brussels has already reviewed the proposal and the Italian Ministry of Agriculture is hoping to launch the plan by July 2009.

Slaughter Automation

Italy has surveyed in 24 national slaughter houses and has devised a plan to automate all regional slaughter structures that process more than 7 million animals each year.

2008 Swine Industry Estimates

According to the Italian Pig Breeders Association (ANAS), 2008 swine production increased 0.5 percent to 12,882,000 head. Of these 9,084,594, were destined for the DOP (Denominazione di Origine Protetta – Geographic Indicator for the quality of the product) prosciutto industry. Italy's 2008 live swine imports decreased 40 percent (32,000 tons), compared to 2007. Industry sources report that Italy's pig sector produces 9.3 million animals annually worth €2.3 billion, and employs more than 130,000 people.

Swine Meat is Safe to Eat

Pork is the most widely consumed meat in Italy—more than half of which is imported. Thus far, Italy has not enacted any new trade regulations for swine, pork, or pork products as a result of the H1N1 outbreak. Despite Ministry of Agriculture assurances that pork is not a source of the H1N1 virus and that pork consumption is perfectly safe, consumption has declined by an estimated 8-10 percent and prices have fallen 5 percent to less than €1 per kilogram. Many Italian pork products are consumed uncooked. The Parma Ham Association also has assured consumers that cured ham is not a vector of the H1N1 virus. Minister Zaia announced that he intends to "defend Italian meat by supporting the introduction of label of origin and traceability for all products."